

CLASS ACTION SETTLEMENT AGREEMENT

This Class Action Settlement Agreement (the “**Settlement Agreement**”) is entered into as of _____, 2026, by and among (a) Plaintiffs WASHINGTON TOWNHOMES, LLC, a Utah Limited Liability Company; HOMES BY HARMONY, INC., a Utah Corporation; COTTON MEADOWS, LLC, a Utah Limited Liability Company; SALISBURY DEVELOPERS, INC., a Utah Corporation; SALISBURY DEVELOPMENT, LC, a Utah Limited Liability Company; IVORY SOUTHERN, LLC, a Utah Limited Liability Company and related entities; PERRY HOMES UTAH, INC., a Utah Corporation; and HENRY WALKER CONSTRUCTION OF SOUTHERN UTAH, LLC, a Utah Limited Liability Company (collectively, “Class Representatives”), individually and on behalf of the Class Members, as defined below (together referred to as the “Class”) and (b) Defendant WASHINGTON COUNTY WATER CONSERVANCY DISTRICT, a Utah special service district (“WCWCD”). The Class and WCWCD are referred to collectively as the “Parties.”

RECITALS

A. WCWCD is a Utah special service district organized for the purpose of acquiring, developing, treating, storing, and distributing culinary and secondary water within Washington County, Utah.

B. On August 23, 2013, Class Representatives commenced a civil action in the Fifth Judicial District Court for the State of Utah, Washington County, Case No. 130500465 (the “Action”), challenging the legality of certain water impact fees assessed and collected by WCWCD under resolutions adopted in 2006 and applicable during the Class Period defined below.

C. Class Representatives allege, among other things, that WCWCD’s impact fees violated the Utah Impact Fees Act and constitutional principles, and seek restitution, interest, attorneys’ fees, and other relief. WCWCD denies all allegations of wrongdoing or liability.

D. On November 13, 2020, the Court certified the Action as a class action pursuant to Utah Rule of Civil Procedure 23, and by its June 30, 2022, Order, identified the Class as individuals and entities that paid an impact fee to WCWCD for residential property during the Class Period, excluding those who timely opted out.

E. The Parties have engaged in extensive discovery, expert analysis, and motion practice, and have evaluated the risks, costs, and uncertainty of continued litigation.

F. Without admitting liability and in order to avoid further expense and uncertainty, the Parties have agreed to resolve all claims asserted or that could have been asserted in the Action, subject to Court approval, on the terms set forth below.

The definitions used in this Settlement Agreement include, but shall not be limited to, the following:

1. DEFINITIONS

“**Action**” means the above-identified litigation.

“**Class**” means all persons and entities included in the certified class.

“**Class Administrator**” means Craig M. Call and the law firm of Anderson Call & Wilkinson, P.C., previously appointed by the Court to, among other things, organize the provision of notice, process claims, and distribute funds to class members.

“**Class Counsel**” means the law firms of Anderson Call & Wilkinson, P.C., Kirton McConkie, PC, and Checketts Law.

“**Class Member**” means any member of the Class, as defined in the Order Identifying Class, Appointing Class Administrator and Approving Notice, *Washington Townhomes, LLC v. Washington County Water Conservancy District*, Case No. 130500465 (June 30, 2022).

“**Class Period**” means August 23, 2012, through December 31, 2017.

“**Class Representatives**” means Washington Townhomes, LLC, Homes by Harmony, Inc., Cotton Meadows, LLC, Salisbury Developers, Inc., Salisbury Development, LC, Ivory Southern, LLC, Perry Homes Utah, Inc., and Henry Walker Construction of Southern Utah, LLC.

“**Court**” means the Fifth Judicial District Court, Washington County, Utah.

“**Effective Date**” means the date on which the Court enters the Final Approval Order and the time for appeal has expired for an appeal by an objecting third party to the Final Approval Order or any appeal of an objecting third party to the Final Approval Order has been finally resolved. This Section shall not apply to an action to challenge, contest, interplead, or otherwise resolve the distribution of the Settlement Fund by the Class Administrator, or the appeal thereof, or to any appeal initiated by WCWCD.

“**Final Approval Order**” means the Court’s order granting final approval of this Settlement Agreement. A copy of the contemplated proposed Final Approval Order is attached as **Exhibit A**.

“**Released Claims**” means all claims, known or unknown, arising out of or relating to the assessment, calculation, adoption, or collection of the challenged WCWCD impact fees together with but not limited to all claims, issues and defenses raised or which could have been raised in this suit, arising from the beginning of time through the Effective Date.

“**WCWCD**” means Washington County Water Conservancy District, a Utah special service district.

“WCWCD’s Counsel” means the law firms of Spencer Fane and Hoggan Lee & Hutchinson.

2. SETTLEMENT CONSIDERATION

A. Settlement Payment. Within five (5) business days after the Effective Date, with telephonic voice verification from recipient of wiring instructions before sending, WCWCD shall wire the total settlement amount of SEVENTEEN MILLION DOLLARS (\$17,000,000.00) (“Settlement Fund”) to the trust account designated by the Class Administrator, to be distributed in accordance with Court orders. Following the wire, WCWCD’s Counsel shall promptly provide written confirmation of the wire transfer to Class Administrator.

B. Use of Funds. The Settlement Fund shall be used to pay, in the following order: (i) reasonable litigation costs and expenses incurred or to be incurred by Class Counsel and the Class Administrator; (ii) attorney fees of Class Counsel and compensation to Class Administrator; (iii) distributions to eligible Class Members, as approved by the Class Administrator; and (iv) remittance in accordance with the Court’s order. The Class Administrator shall distribute and use funds in a manner consistent with the procedures and requirements imposed by a Final Approval Order.

3. RELEASES

A. *General Release.* Upon the Effective Date, the Class fully and finally releases, forever discharges, and holds harmless WCWCD, as well as any and all of its agents, attorneys, employees, employers, insurers, successors, assigns, officials, staff, board members, and officers (collectively, “Releasees”) from any and all claims and causes of action of whatever kind or nature which now exist or which may hereafter accrue because of, whether known or unknown, arising out of, resulting from, or in any way connected with WCWCD’s 2006 Regional Water Capital Facilities Plan and Impact Fee Analysis, including but not limited to claims arising out of the payment of impact fees assessed pursuant to WCWCD’s 2006 Regional Water Capital Facilities Plan and Impact Fee Analysis. Nothing in this Settlement Agreement will, or is intended to, obligate WCWCD to defend or litigate any claims related to a refund, which costs shall be borne by the Class.

B. *Class Representatives’ Release.* In addition to the General Release, Class Representatives fully and finally release and forever discharge the Releasees from any and all claims and causes of action of whatever kind or nature which now exist or which may hereafter accrue because of, whether known or unknown, arising out of, resulting from, or in any way connected with WCWCD’s assessment, collection, and/or calculation of impact fees through the Effective Date of the Settlement Agreement.

4. NO ADMISSION OF LIABILITY

This Settlement Agreement is a compromise of disputed claims. Neither the execution of this Settlement Agreement nor any term herein shall be construed as an admission of liability, fault, or wrongdoing by any Party, all of which are expressly denied.

5. DISMISSAL

Upon WCWCD's payment of the Settlement Fund, and following entry of the Final Approval Order, Plaintiffs' claims shall be dismissed with prejudice, with each side bearing its own costs and attorney fees except as expressly provided herein and set forth in the Final Approval Order. In no event shall the Class Representatives or any member of the Class assert a claim for costs or attorney fees from WCWCD not contemplated in the Final Approval Order.

6. COURT APPROVAL

The Parties shall jointly seek preliminary and final approval of this Settlement Agreement.

7. ENTIRE AGREEMENT

This Settlement Agreement constitutes the entire agreement between the Parties relating to the subject matter hereof and supersedes all prior negotiations or agreements. No covenant, representation, or condition not expressed in this Settlement Agreement shall affect or be deemed to interpret, change, or restrict the express provisions of this Settlement Agreement. Any amendment must be in writing and approved by the Court.

8. MISCELLANEOUS

A. *Warranties.* The Class Representatives and WCWCD warrant and represent to the other that each has: (i) read this Settlement Agreement and understands its contents; (ii) executed this Settlement Agreement voluntarily, without coercion or duress of any kind, and upon the advice of counsel; (iii) not sold, assigned, granted, or transferred to any person, firm, or entity any interest in any claim, demand, chose in action, or cause of action covered by the terms of this Settlement Agreement; (iv) had the opportunity to consult with independent legal counsel with respect to the advisability of reaching this settlement and executing this Settlement Agreement; (v) made such investigation of the facts pertaining to this Settlement Agreement and of all the matters pertaining hereto as it deems necessary; and (v) not relied on any inducements, promises, or representations of the other, other than the terms and conditions specifically set forth in this Settlement Agreement;

B. *Authorization.* The Parties, and each individual executing the Settlement Agreement on behalf of a Party, represent and warrant that they, and each of them, are fully authorized to enter into the terms and satisfy the conditions of the Settlement Agreement, and to execute and bind themselves to the same.

C. *Liens & Third-Party Claims.* The Class Representatives warrant that all outstanding liens, obligations, and third-party claims of any kind arising from or relating to the claims asserted in this litigation have been or will be satisfied with the Settlement Payment, and that the Class will be solely responsible for any such liens, obligations, or third-party claims. The Class Representatives agree to indemnify and hold harmless WCWCD against any such liens, obligations, third-party claims, and claims for attorney fees and costs relating to or arising out of the Settlement Agreement.

D. *Third Party Beneficiaries.* There are no intended third-party beneficiaries under this Agreement.

E. *Counterparts.* This Settlement Agreement may be executed in counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument. Signatures sent by facsimile, electronically in PDF format, or otherwise shall be deemed to be originals.

F. *Waiver & Amendment.* No breach of any provisions herein can be waived or amended unless in writing and agreed to and signed by all the Parties and approved by the Court. Waiver of any one breach of any provision herein shall not be deemed to be a waiver of any other breach of the same provision or any other provision herein.

G. *Captions & Interpretations.* Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement Agreement or any provision herein. No provision in this Agreement is to be interpreted for or against either Party because that Party or its representative drafted such provision.

H. *Successors, Assigns & Related Persons.* This Settlement Agreement shall be binding upon and inure to the benefit of not only the Parties but also their respective agents, servants, employees, officers, directors, shareholders, parents, subsidiaries, affiliates, members, managers, partners, predecessors, successors, elected officials, and assigns.

I. *Public Information.* The Parties understand and agree that all documents relating to this Settlement Agreement will be public documents, as provided in Utah Code section 63G-2-103 *et seq.*

J. *Severability.* If any term or provision of this Settlement Agreement, or the application thereof to any person or circumstance, is held to be invalid, illegal, or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision hereof or the application of such term or provision to any other persons or circumstances. The remaining terms and provisions shall remain in full force and effect and shall be construed so as to best effectuate the parties' intent as reflected in this Settlement Agreement. To the extent permitted by applicable law, any such invalid, illegal, or unenforceable term or provision shall be deemed modified to the minimum extent necessary to render it valid, legal, and enforceable while preserving, to the fullest extent possible, the parties' original intent.

9. GOVERNING LAW AND CHOICE OF FORUM

This Settlement Agreement is made and entered into within and shall be governed by, construed, interpreted, and enforced in accordance with the laws of the State of Utah, without regard to the principles of conflicts of laws. Any action to enforce this Settlement Agreement shall be brought only in the Utah Fifth Judicial District Court.

10. CONTINUING JURISDICTION

The Court shall retain continuing and exclusive jurisdiction over the Parties to this Settlement Agreement, including the Class Representative(s) and all Class Members, for purposes of the administration, implementation, interpretation, and enforcement of this Settlement Agreement.

IN WITNESS HEREOF, the Parties hereby execute and cause this Settlement Agreement to be executed, by their duly authorized representatives, as of the date(s) indicated on the lines below.

[SIGNATURE PAGES TO FOLLOW]

PLAINTIFF CLASS

WASHINGTON TOWNHOMES, LLC

By: _____

Name: _____

Title: _____

Date: _____

HOMES BY HARMONY, INC.

By: _____

Name: _____

Title: _____

Date: _____

COTTON MEADOWS, LLC

By: _____

Name: _____

Title: _____

Date: _____

SALISBURY DEVELOPERS, INC.

By: _____

Name: _____

Title: _____

Date: _____

SALISBURY DEVELOPMENT, LC

By: _____

Name: _____

Title: _____

Date: _____

IVORY SOUTHERN, LLC

By: _____

Name: _____

Title: _____

Date: _____

PERRY HOMES UTAH, INC.

By: _____

Name: _____

Title: _____

Date: _____

HENRY WALKER CONSTRUCTION OF SOUTHERN UTAH, LLC

By: _____

Name: _____

Title: _____

Date: _____

CLASS ADMINISTRATOR

By: _____

Name: _____

Title: _____

Date: _____

CLASS COUNSEL (*approved as to form and content only*)

KIRTON McCONKIE

By: _____

Name: _____

Title: _____

Date: _____

ANDERSON CALL & WILKINSON

By: _____

Name: _____

Title: _____

Date: _____

CHECKETTS LAW

By: _____

Name: _____

Title: _____

Date: _____

DEFENDANT

WASHINGTON COUNTY WATER CONSERVANCY DISTRICT

By: _____

Name: _____

Title: _____

Date: _____

DEFENDANT’S COUNSEL (*approved as to form and content only*)

SPENCER FANE

By: _____

Name: _____

Title: _____

Date: _____

HOGGAN LEE HUTCHINSON

By: _____

Name: _____

Title: _____

Date: _____

**IN-HOUSE COUNSEL FOR
WASHINGTON COUNTY WATER CONSERVANCY DISTRICT**

Name: _____

Date: _____